



SAFETEA-LU

Update

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Obligation Authority/Contract Authority Ratio

- Determines amount of federal funding available for investment
- Five-Year Plan built around historical average of 92.37%
- FY 2005 Actual 88.33% (85.05% before August redistribution)
- Expected to increase in future years

Highway Funding and Hurricane Relief

- Highway Trust Fund mentioned as source of recovery funding
- Giveback of earmarks
 - \$24 billion in earmarks included in SAFETEA-LU
- Diversion of obligation authority
 - Could be any amount



Technical Correction Legislation

- A technical corrections bill will be needed to address various mistakes included in SAFETEA-LU
 - Not everything will be “technical”
 - Legislation correcting FY-2005 issues has already been enacted
 - Most corrections revise project descriptions
- Given the complexity of dealing with the hurricane recovery effort, a bill is not likely until 2006



Rulemaking, Guidance and Best Practices

- The federal government will issue rules, guidance documents and/or best practices of how it interprets SAFETEA-LU
 - These documents will require close monitoring
 - MDOT will monitor and respond to 9-20 rulemaking processes
 - Virtually all other changes/sections will require guidance documents and/or best practices
- Michigan is assuming a leadership role by working with FHWA/AASHTO to make certain our concerns are addressed and expectations are known

